

**UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF OKLAHOMA**

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U.S. COMMODITY FUTURES )  
 TRADING COMMISSION and )  
 OKLAHOMA DEPARTMENT OF )  
 SECURITIES *ex rel.* IRVING L. FAUGHT, )  
 )  
 Plaintiffs, )  
 )  
 v. )  
 )  
 PRESTIGE VENTURES CORP., a )  
 Panamanian corporation, FEDERATED )  
 MANAGEMENT GROUP, INC., a Texas )  
 corporation, KENNETH WAYNE LEE, an )  
 individual, and SIMON YANG (a/k/a XIAO )  
 YANG a/k/a SIMON CHEN), an individual, )  
 )  
 Defendants; and )  
 )  
 SHEILA M. LEE, an individual, DAVID A. )  
 LEE, an individual, and DARREN LEE, an )  
 individual, )  
 )  
 Relief Defendants. )  
 )

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Case No. 09-cv-1284 (DLR)

**ORDER**

Before the Court is the First Interim Application for Compensation and Reimbursement of Expenses of Receiver and Counsel for Receiver [Doc. No. 173] (the “Application”) seeking approval of the payment of fees and expenses incurred for the period from November 20, 2009 through March 31, 2011. The deadline for filing objections to the Application has expired and the only objection to the application was set forth in the Motion to Divest Receiver, filed by Relief Defendant, Darren Lee on April 20, 2011 [Doc. No. 174]. Plaintiff, U.S. Commodity

Futures Trading Commission filed a Certificate of No Objection to the Application on May 10, 2011 [Doc. No. 178].

As the Receiver states in the Application, the Order appointing Receiver [Doc. No. 9] authorized him to employ attorneys and other professionals. By the Application, compensation is sought as follows: (a) Receiver seeks compensation in the amount of \$82,420.00 and reimbursement of expenses in the amount of \$1,875.04, (b) Receiver seeks compensation for Fellers, Snider, Blankenship, Bailey & Tippens, Oklahoma counsel for the Receiver (“Fellers Snider”) in the amount of \$10,471.50 and reimbursement of expenses in the amount of \$2,109.96, and (c) Receiver seeks compensation for Robinson, McFadden & Moore, South Carolina counsel for the Receiver (“Robinson McFadden”) in the amount of \$3,715.00 and reimbursement of expenses in the amount of \$416.69.

The reasonableness and amount of attorney fees rests within the sound discretion of the Court. *Combs v. Shelter Mut. Ins. Co.*, 551 F. 3d 991, 1001 (10<sup>th</sup> Cir. 2008). The reasonableness of the hourly rate charged and the time expended should be determined by the Court in arriving at a reasonable fee. See *Lippoldt v. Cole*, 468 F. 3d 1204, 1222 (10<sup>th</sup> Cir. 2006).

The Application is accompanied by a detailed statement describing all work performed for which compensation is sought; it identifies the identity of the attorney performing the work and the total number of hours expended on each entry. Application, Exhibits “A”-“C”. The Court has examined Exhibits “A”-“C” and finds they reflect that the services performed and expenses incurred by the Receiver and counsel for the Receiver were necessary and appropriate. The Court further finds that the amount of time devoted to the specific legal work performed is reasonable.

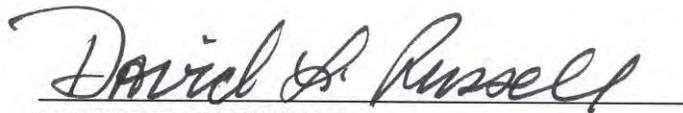
The hourly rates of the Receiver and counsel for the Receiver are reflected on Exhibits “A”-“C” and the Court has examined those rates to determine their reasonableness and

consistency with the prevailing rates in the community and the Court's own knowledge of those rates, as required by the Tenth Circuit. See *Malloy v. Monahan*, 73 F. 3d 1012, 1018 (10<sup>th</sup> Cir. 1996); *Mertz v. Merrill Lynch, Pierce, Fenner & Smith, Inc.*, 39 F. 3d 1482, 1493 (10<sup>th</sup> Cir. 1994). Based upon the Court's familiarity with prevailing hourly rates in the community, the Court finds those hourly rates to be reasonable and consistent with the rates charged for comparable legal work in the Oklahoma City area.

To the extent Darren Lee's Motion to Divest Receiver is meant to be an objection to the Application, the objection is DENIED. The Motion to Divest fails to raise any issue with regard to the necessity or reasonableness of any time entry or expense for which compensation is sought.

Accordingly, having examined the Application and the documentation attached thereto as Exhibits "A"- "C", the Court finds the Application [Doc. No. 173] should be, and is, GRANTED. Receiver is hereby authorized to pay Fellers Snider (a) Receiver compensation in the amount of \$82,420.00 and reimbursement of expenses in the amount of \$1,875.04 and (b) compensation in the amount of \$10,471.50 and reimbursement of expenses in the amount of \$2,109.96, and to pay Robinson McFadden compensation in the amount of \$3,715.00 and reimbursement of expenses in the amount of \$416.69.

IT IS SO ORDERED this 10<sup>th</sup> day of May, 2011.

  
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DAVID L. RUSSELL  
UNITED STATES DISTRICT JUDGE